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## SITE INSPECTION REPORT

LEASE # ML 47718

DOGM File # S/015/080

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MAY - 9 2003

DIV. OF OIL, GAS & MINING

Date of Inspection: May 18, 2003

Persons Present: Will Stokes, SITLA

Conditions: Clear and Cool

Land Inspected: Within the SE $\frac{1}{4}$ , Section 16, T. 17 S., R. 14 E., SLB&M

Project Name: "Black Knight Mine"

The purpose of the site inspection was to document conditions of the leased lands since the commencement of mining as proposed under the lessee's, GOLDTERRA, small mine plan.

Access to the SE $\frac{1}{4}$  of Section 16 is provided by a well maintained dirt road that leaves Highway 6 in a easterly direction, approximately 2.5 miles north of the town of Woodside. This road is depicted on the Woodside, Utah, 7.5 minute topographic quadrangle and is further identified on the quadrangle as being the road the passes west of Kiahtipes Reservoir, which is located in Section 22 of T. 17 S., R. 14 E., SLB&M. Emery County identifies this road as the Upper Marsh Flat Road.

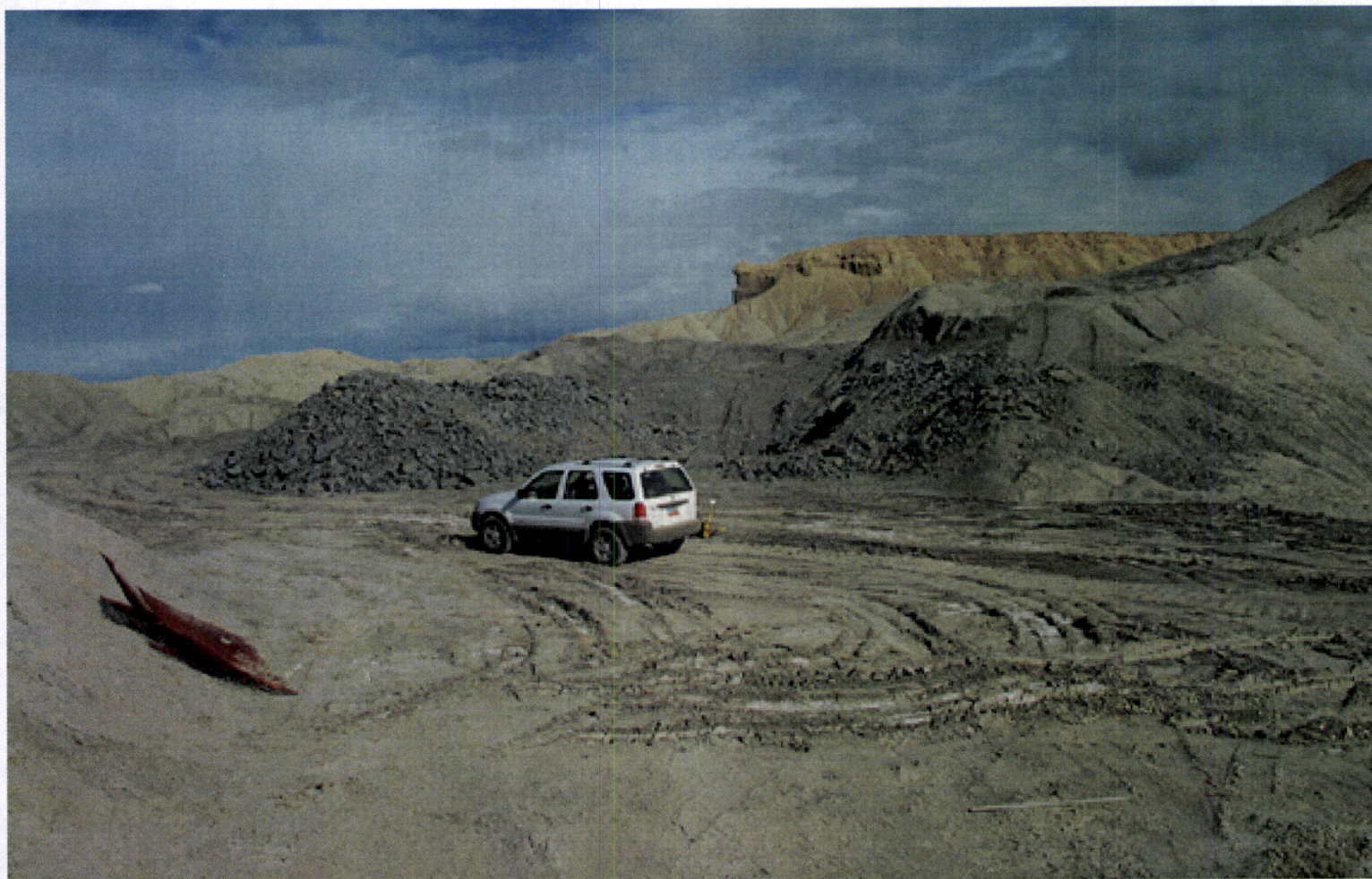
The mine related surface disturbances consists of an open pit and a leveled area adjoining the south side of the pit. The leveled area is buried by piles of overburden that is presumably the surface soil saved from the mine site. The mine pit is approximately 25 feet deep and is depicted in the captioned photographs accompanying this report. As mentioned in my surface examination report of June 28, 1999, the undisturbed mine site was essentially devoid of flora so it is unlikely that saved surface soils, when redistributed, will enhance re-vegetation. The area of disturbed land attributed to the mine site was determined by pacing the average width and length of the disturbance. The disturbed land encompasses an area that is approximately 105 feet wide and 300 feet long or approximately 31,500 square feet or 0.73 of an acre.

The previously mentioned access road originally provided access to a small earthen dam which is near the mine site. This road was extended by approximately 500 feet to provide access from the dam site to the mine site. The road is approximately 8 feet wide and 500 feet long or approximately 4000 square feet or 0.09 acres. The total area of new surface disturbance that can be attributed to mine related activity is approximately 35,500 square feet or 0.82 acres.

The Trust Lands Administration is currently holding a Certificate of Deposit, No. 17-800249-9, issued by Far West Bank, 201 East Center Street, Provo, Utah 84606, in the amount of \$1,875.00 for reclamation of surface disturbance related to the mine development.

Accompanying this report are three captioned photographs depicting the mine site as discussed in the body of this report.





Looking northwest from the southern edge of the disturbed area onto the central part of the disturbed area. The large mine pit is just behind the vehicle.





Looking south, from the top of a large overburden pile, onto the main pit area. The pit is approximately 25 feet deep.





Looking north onto the entire disturbed area. This photo was taken from the top of the small hill that can be seen in the top center of the previous photo.